



STATE SENATOR  
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2004 Post-Session Newsletter  
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## Kenley Sponsors Leadership Conference

One of my favorite things to do as a state senator is reach out to tomorrow's leaders and give them a feel for what leadership should be.

I had the pleasure of doing that this year when I hosted my fifth annual leadership conference at the statehouse in December. Enthusiastic and eager to learn senior class presidents and student body presidents from area high schools attended the event.

The students took a tour of the statehouse, ate dinner at the Indianapolis Press Club, and heard from several legislators. Dr. Suellen Reed, Superintendent of Public Instruction, spoke about state education issues. Students also had the opportunity to give their input on what they thought were the most serious problems facing Indiana.

I enjoy meeting the fine students that parents and schools produce. I look forward to hearing great things from this group as well as hosting next year's leadership conference.

These students possess the leadership skills needed to succeed in life, and I am confident that these ambitious adolescents stand poised to become the future leaders of our community, state and nation.



State Senator  
**Luke Kenley**

Serving District 20 — Grant, Hamilton, Madison & Tipton Counties



## Property Taxes Remain Priority

The Indiana General Assembly started the 2004 legislative session earlier than usual to address property tax issues. Ordinarily, the legislature convenes for one day on the third Tuesday in November, called Organization Day, in order to meet and do general 'housekeeping' business.

This session, legislators conducted committee meetings and held session in November and December to attempt to ease the property tax burden for homeowners, farmers, and employers hit with higher tax bills than expected.

Due to the court-ordered property tax reassessment, some problems have surfaced in a few counties around the state. During several weeks in the fall, members of the Senate Finance Committee met around the state to gather information and evaluate state policy on property taxes.

The result of the "mini-session," Senate Enrolled Act 1, includes many of the good ideas citizens offered to help address the problems.

One of the most important provisions of SEA 1 will limit future property tax increases through strict controls on local govern-

### What Senate Enrolled Act 1 Does:

- Allows counties to waive penalties assessed for late payment of property taxes
- Allows taxpayers to pay their property taxes in installments
- Extends the filing deadline for existing property tax deductions and exemptions
- Requires approval from elected officials of significant property tax increases by non-elected boards, such as libraries.
- Streamlines the property tax appeal process to make it easier for taxpayers
- Requires assessors to use most favorable assessment method for rental properties
- Repeals local governments' ability to raise and spend excess levies and requiring any excess funds to be used to reduce future levies

ment spending. In 2002, legislators tried to anticipate the effects of reassessment and passed a bill that shifted the tax burden to sales and gaming taxes in order to generate an additional \$1 billion in tax relief for property owners.

Property taxes are very complex compared to other ways government programs

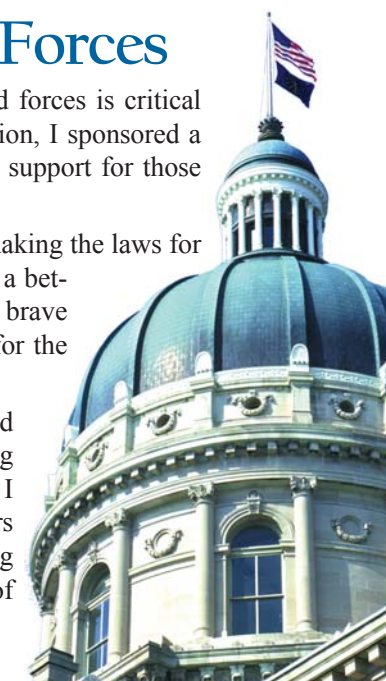
— see **PROPERTY TAX**, page 3

## Kenley Honors Armed Forces

Support for the men and women serving in the armed forces is critical regardless of one's political stance. In this short session, I sponsored a resolution urging Hoosiers to offer their prayers and support for those men and women.

In the General Assembly, we have the important job of making the laws for the state of Indiana. While we are trying to make this state a better place to live in, however, our lives are not in danger. The brave soldiers in the armed forces do put their lives on the line for the sake of making this country a better place in which to live.

It is okay to disagree with what the government does and what battles the government chooses to fight, but one thing we should all agree on is that our soldiers need support. I have had families come to me often asking for my prayers and my support. I try to grant those requests, but the backing of 6 million Hoosiers is far more moving than the backing of one lawmaker.



## 2004 Facts & Figures

The Second Regular Session  
of the 113th General Assembly  
began on Organization Day,  
November 18, 2003,  
and adjourned March 4, 2004.

This non-budget year is known as  
the "short" session.

Senate bills introduced: 503  
Senate joint resolutions introduced: 10

Senate bills passed: 18  
Senate joint resolutions passed: 0

House bills introduced: 459  
House joint resolutions introduced: 7

House bills passed: 80  
House joint resolutions passed: 0

Percent of introduced bills that were  
sent to the governor: 10%

For more information  
about the General Assembly's  
2004 session,  
visit us online at:  
[www.in.gov/legislative](http://www.in.gov/legislative)

Visit my site at:  
[www.in.gov/S20](http://www.in.gov/S20)

## Medicare Fraud Schemes Target Senior Citizens

Senior citizens should be alert and aware of identity theft schemes that are intended to defraud the Medicare program. Although this program is run by the federal government, state legislators have been alerted to a scam that could carry a devastating cost.

There have been reports in Indiana, Nebraska, Oklahoma and Georgia of individuals going door-to-door to sign up senior citizens for the Medicare Prescription Drug Cards or to sell them Medigap insurance. Seniors are offered an opportunity to sign up in exchange for their Medicare numbers. **MEDICARE DOES NOT GO DOOR-TO-DOOR.**

### Seniors can protect themselves:

- Never give your Medicare, Medicaid, or Social Security number to anyone who comes to your door.
- Never give these numbers to anyone who promises "free services."
- Hang up on telemarketers who ask for any of these numbers or for your bank account number.

Call, toll-free, **1-800-986-3505** to report suspected Medicare fraud and abuse. It will ring into your local Area Agency on Aging. Area Agencies are part of the Medicare fraud prevention project called Senior ESP. All suspected fraud and abuse case information is confidential.

## Fairness in Funding:



### Kenley Works to Protect School Funding for All Students

During last year's budget session of the General Assembly, education was our number one priority. It was the only area in government that was given an increase during these difficult fiscal times. While surrounding states have cut education, we worked hard to provide our schools with a 3.3 percent increase in funding for Fiscal Year 2004 and a 2.9 percent increase in 2005. This additional funding has placed Indiana 10th in the country in per pupil spending, which is a commitment that senators want to be able to keep.

The state has drained every reserve account to make ends meet and provide schools with the money needed to continue essential programs for this budget cycle. The numbers from the most recent revenue forecast show that the state is not recovering as quickly as hoped and that the state needs to be cautious about what we are spending so we can keep the promise we made to our schools.

After an early start to our 2004 session, which officially began in mid-November, the governor suddenly decided that full-day kindergarten would be his top priority when he gave his State of the State address in January. His first proposal was to fund the partial tuition of 20,000 full-day kindergarten pupils this fall. Parents were expected to pay for a portion of their child's extra hours at school. The governor proposed several shaky funding mechanisms to cover the remainder, including changing the state constitution to tap into an account reserved for schools' construction and renovation projects.

When the bill reached the Senate, the majority agreed that the state simply does not have enough money right now to pay for a statewide full-day kindergarten program. We all agree that early learning is important, which is why we wanted to form a committee to work this summer to find sustainable funding for the initiative. Unfortunately, Democrats decided that if they couldn't get funding this year, they were not interested in studying the issue this summer. The bill died in conference committee on the last night of the session.

I believe in Indiana's children, and I want them to have every opportunity to be successful. That is why it is so important to approach new government programs and spending with a critical eye. We must first fund our current obligations to public education before committing ourselves to spending even more taxpayer dollars.

Many of Indiana's school districts are having a difficult time funding new students in their communities. Hamilton Southeastern for example, has seen its population explode, gaining an estimated 1,000 students over the last couple of years. Our current school funding formula simply does not provide them with the money they need for these students, let alone for the addition of new programs.

As Chairman of the Senate Education Committee, I am committed to crafting a thorough plan to provide long-term, sustainable funding not only for full-day kindergarten, but for our growing school districts in Hamilton County and across the state.

Indiana  
is 10th  
in the nation for  
per-pupil  
education  
spending.

## WORKING - for - JOBS

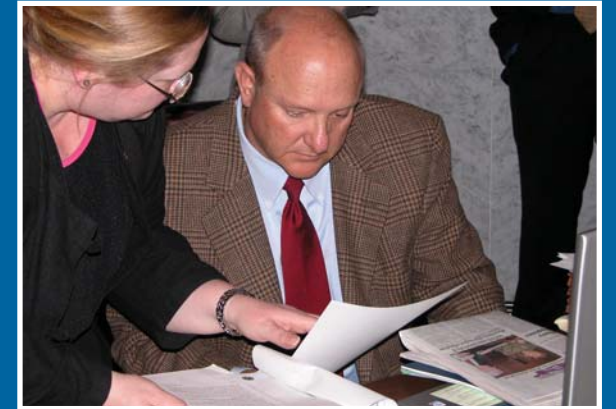
In 2003, the Senate passed legislation with significant economic development measures, dubbed the JOBS plan. Economic development is full time work, and we are constantly trying to improve our business climate here in Indiana to help more Hoosiers find jobs.

Despite a \$1 billion state budget deficit, the Senate has continued to seek new ways to foster a more a competitive atmosphere for businesses in Indiana.

One critical bill, House Enrolled Act 1365, passed the Senate this session and should provide some new momentum for our economic development efforts. It is a combination of several bills that focus on expanding small businesses investment, improving research and development and encouraging growth around the state.

### Economic Development Provisions in HEA 1365

- Makes several research and investment tax credits permanent.  
**Economic Importance:** Businesses will have confidence to invest in creating innovative new products knowing the credits are stable.
- Adds the Emerging Technology Grant Fund to the 21st Century Research and Technology Fund.  
**Economic Importance:** The Fund will match federal grants for small-sized technology-based businesses to accelerate the commercialization of new discoveries in the life sciences, information technology, advanced manufacturing, or logistics industries.
- Gives tax incentives to businesses who locate new or expanded operations on closed military bases.  
**Economic Importance:** Incentives given to businesses on Grissom Air Force Base, Fort Benjamin Harrison and Crane Naval



Senator Kenley works on the Senate floor on a version of House Bill 1234. The bill would have created a committee to study the proper way to implement full-day kindergarten without taking essential money from other school programs. For more information, see story on page 2.

Surface Warfare Center will spark the local economy. New tax incentives are vital due to the elimination of the inventory tax by 2007.

- Improves rules regarding Community Revitalization Enhancement Districts (CREDS).  
**Economic Importance:** CREDS are important economic development tools for the downtown areas of our cities. Expanding and improving CREDS will further these efforts.
- Allows local governments to assess an annual fee to recipients of tax abatements.  
**Economic Importance:** The fee would be used by local economic development boards to help provide more jobs within the area. It would help small rural communities that do not have big budgets for economic development.
- Repeals the sales tax on complimentary hotel rooms.  
**Economic Importance:** Indiana will be more competitive with other states in attracting tourism and convention business.

The provisions mentioned are only several of many economic development bills filed this session. We will continue our effort to provide Indiana with the tools needed to improve our economic climate.

## PROPERTY TAX CONTINUED FROM PAGE 1

and services are financed and the debate continued when session reconvened in January. House Enrolled Act 1001 was enacted to clarify and update language in SEA 1.

Senators also recognized the need to restore the value of certain targeted property tax deductions to levels prior to the reassessment.

SEA 296 updates existing deductions for the elderly, blind or disabled, wartime service disabled, disabled veteran, surviving spouse of a WWI veteran, WWI veteran, residential property rehabilitation, historic property rehabilitation, and residentially distressed area property rehabilitation.

We want to be fair and do what's right for Hoosier homeowners, farmers and family businesses.

**HOUSE ENROLLED ACT 1265** — Establishes a program pooling state employees to negotiate lower prices for bulk purchases of prescription drugs. Applies to schools, state colleges and universities, and cities and towns. **PASSED. My vote: YES**

**SENATE BILL 85** — Makes it illegal to have open alcoholic beverage containers in a motor vehicle, regardless of whether or not the driver has been drinking. This law could have brought Indiana \$13.5 million in federal funds. **FAILED. My vote: YES**

**HOUSE ENROLLED ACT 1082** — Requires a review of entries in the Missing Children Clearinghouse within 60 days after the review required by laws governing reports made to the National Crime Information Center (NCIC). **PASSED. My vote: YES**

**SENATE ENROLLED ACT 194** — Various measures help protect children by ensuring the safety of those who live with a convicted child abuser. Opens state records regarding a child who died as a result of abuse, abandonment, or neglect. **PASSED. My vote: YES**

**SENATE JOINT RESOLUTION 7** — Would have begun the process of amending the state constitution to define marriage as the union of one man and one woman. Because it failed in the House, the earliest the provision could appear on the ballot is 2008. **FAILED. My vote: YES**

**SENATE ENROLLED ACT 86** — Allows a voter to check "address unchanged" box on poll list instead of writing entire address when signing in to vote. Would save voters time when polls are crowded. **PASSED. My vote: YES**